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INTRODUCTORY REPORT OF THE EXECUTIVE DIRECTOR

Addendum

HOPE AND ACCOMPLISHMENT

Introductory statement of the Executive Director on the issues before the Council at the plenary meetings of its sixteenth session **

1. It is a distinct honour and pleasure to welcome so many friends and colleagues to our UNEP headquarters in Nairobi. Representation from almost 100 countries confirms the importance Governments attach to this Council's deliberations. Strong representation from the United Nations System and international organizations, from NGOs and business is further proof of the high expectations of this Council.

2. Mr. President, let me again extend my congratulations to you and your colleagues on your election to the Bureau. I wish to join you and the Council in extending, on behalf of the secretariat and on my own behalf, deep condolences to the people and Governments of Bangladesh and India. Let me also extend a warm welcome to my distinguished colleague and friend, Dr. Arcot Ramachandran. Another friend I had hoped to see on the podium, Mr. Maurice Strong, is unable to attend this Council. I warmly welcome his deputy, my distinguished friend Mr. Nitin Desai.

3. A week ago, I addressed the Council at its opening meeting and talked about the programme and the Fund. My statement was circulated as a document. This morning I concentrate on the issues before the plenary. However, I cannot but express, at the very beginning, my deep concern over the financial resources available to UNEP now and in the foreseeable future. I hope you will come to grips with this issue during the week.

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* Revised for technical reasons.

** Delivered to the Council at the 2nd plenary meeting of its sixteenth session, on 27 May 1991.

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4. When we met at the fifteenth Council session, we were filled with hope that global ecological issues were being seriously tackled. Today, that hope has not dimmed. But we now know translating it into credible policies is a far more exacting process than many of us believed. We see hesitation, as proposals turn into costed action. This Council must therefore reassert its vision of global partnership - of all nations pulling together to address common environmental problems.

5. Certainly, remarkable progress has been made since the 1972 Stockholm Conference. National regulations are more stringent and comprehensive. Industry is progressing towards integrated environmental management. UNEP has made sound progress in co-ordinating international treaties and strategies. Other United Nations bodies have made environmental management a top priority.

6. Such progress must, however, be viewed in its proper context. Annual environmental damage in Europe alone exceeds Belgium's annual GNP. Damage in the global South is much higher. Each day, as one quarter of a million additional people inhabit the planet, 65 million tonnes of productive topsoils are removed. Each day, some 140,000 acres of tropical forests are cleared. Some 100 species become extinct. And over 40,000 children are killed by environmentally-related diseases. The approximately 30 million people facing famine on this continent, the cholera epidemic in Latin America, and the terrible tragedy in Bangladesh cruelly expose the vulnerability of the poor.

7. And only now - with censorship lifted - have we begun to weigh the environmental catastrophe in Central and Eastern Europe. And in the aftermath of the Iraq-Kuwait conflict, we clearly see that tackling the region's environmental problems will be extremely taxing.

8. The world is responding generously to specific crises. But we still await the concerted, global action required to assist the forgotten victims of underdevelopment and environmental decline. More international assistance and co-operation must be forthcoming. Yet, what we see now are budgets that have become overstretched. Attention that has been diverted. And much less forthcoming action than what the situations urgently demand.

9. Both the Iraq-Kuwait conflict and the Bangladesh disaster confirm that we must redouble action to implement what we have, for several years, merely discussed. Namely, to put in place systems for early warning of catastrophes, for assistance in environmental emergencies. And to mobilize public action to protect and rehabilitate the environment.

10. I Know some of these issues were discussed by the Programme Committee. But, I will come back to some of them shortly. At this stage I am asking you to support the UNEP-co-ordinated inter-agency task team established in concert with ROPME - the Regional Organization for the Protection of the Marine Environment in the Kuwait Action Plan region - to assess ecological damages caused by the war over Kuwait, and to design response plans. The task team is already in place and on schedule with its work. I also request Governments able to do so to join Japan, Norway and the Netherlands in contributing generously to the Trust Fund established for this purpose.

11. We have been talking for years about the urgent need to integrate environment and development. We do not lack the tools to dismantle barriers between them. The Environmental Perspective to the Year 2000 and Beyond and Our Common Future are but two reports which define why and how to integrate ecology into development. If their recommendations, together with the declarations of numerous international assemblies since Stockholm

had been applied, there would be no environment and development crisis. And there would be no need for a strengthened UNEP. Instead, the need has never been more urgent. As the forty-fourth General Assembly recognized, we face a global ecological catastrophe. The United Nations Conference on Environment and Development (UNCED) - to convene in just twelve months in Rio de Janeiro - represents perhaps our last, best hope in this decade to halt environmental degradation, accelerate development and build a global partnership. We strongly support the efforts of the UNCED secretariat, and we are fully co-operating with them. At the opening of this session, I reported in detail on that co-operation.

12. Success in Brazil will come from agreed-upon responsibilities, and from specific and scheduled additional financial commitments. It will also come from defined plans for technology transfer, and for the advance of environmental economics from theory to an integral part of multi-sectoral decision-making.

13. These are the very issues before this Council. I am fully aware that the Preparatory Committee for UNCED is heavily engaged in discussing them. But that hardly relieves this Council of its responsibility. They have been on your agenda for several years. And the Committee will benefit from the clear views of this intergovernmental Council charged by the United Nations General Assembly to deal with the environment. These issues are:

14. First, progress must be made to remove barriers to the transfer of expertise and cleaner production processes to developing and Eastern and Central European countries. Under this rubric are four major challenges: (1) accelerate the transfer of proven environmentally benign technologies; (2) develop indigenous technologies in developing countries; (3) compensate fairly industries in the North for making their patents and other intellectual property rights available; and (4) compensate fairly developing countries which provide biological and other natural resources.

15. Second, how do we intend to finance meaningful environment and development programmes which bear a heavy price? One estimate suggests required financial resources will approach $150 billion per year by the year 2000 to pay for topsoil protection; reforestation; family planning; energy efficiency; the development of energy renewables; and retiring Third World debt. Such estimates do not include other priority items, such as control and adaptation measures needed to address climate change.

16. The Multilateral Ozone Fund, with funding up to $240 million, and the Global Environmental Facility of about $1.5 billion - each for three years - are significant steps forward. But they constitute a small portion of the answer. Much more is needed. And realism dictates that necessary funding will come neither from the budgets of already overstretched national treasuries, nor from voluntary contributions.

17. This Council should therefore seriously consider alternative mechanisms. It is proper for UNEP to develop feasible methodologies for raising the required revenues to tackle environmental problems at the national, regional and global levels. These should include in my part of the world - the developing countries - better management of available financial resources and less, much less, expenditure on arms and, in both South and North, especially in the North, new sources will have to be introduced - user's fees, carbon taxes and the like - to raise funds for use locally and for assisting developing countries.

18. The third issue is environmental economics. Ecological degradation and resource depletion diminish the wealth of nations. Yet conventional economics still, in most cases, turn a blind eye to pollution as an externality, and view ecological capital like fresh air and water as free goods. Such assumptions must be done away with.

19. In their place, we need to establish a realistic symmetry between the price of goods and services, and their true ecological and social costs. And we must clarify the cost of inaction. What, for example, will be the cost to the pharmaceutical and biotechnology industries in allowing untold wild species of plants and animals to become extinct? What will be the immense cost - in human misery, lost agricultural, forestry and marine resources, the destruction of industrial and social infrastructure - in allowing greenhouse gas emissions to continue at current and projected levels?

20. Such costs may dwarf the level of required finance to deal with the causes of these problems. And such costings would certainly prompt rigorous precautionary approaches.

21. With complex global environmental problems, unanswered scientific questions persist. But, as made clear by the large majority of scientists and economists, we now know enough to act. They consider the unknown not to be an excuse for inaction. The rest of the answers will be forthcoming. To help find them, institutional capabilities in environmental monitoring and management need to be strengthened. The proposals before you, which elaborate proposals to last year's Special Session, are designed with that in mind. They include:

22. One, expanding the Earthwatch System, in order to: (a) synthesize data from separate monitoring activities; (b) issue comprehensive assessments and warnings of identified risks and critical thresholds; and (c) build a bridge between scientific data, policy options and required action.

23. To shorten the time-lag between warning and response, the second proposal is the United Nations Centre for Urgent Environmental Assistance. Such a centre could start on an experimental basis as a mechanism that would focus on technological emergencies, and have as its essential components a register of experts and equipment, and a simple "switchboard" function. The resource implications would be modest. UNEP is de facto operating such a mechanism - in full co-operation with other United Nations agencies - in the aftermath of the Kuwait war.

24. Closely linked to the subject of environmental emergencies is the third proposal on the "Green Brigade", "Environmental Volunteers", "Youth for the Environment", - or any such name - intended to harness the enthusiasm of people, particularly the young, to participate in environmental protection and in responding to environmental emergencies. We know from the numerous offers we receive that - worldwide - there is a tremendous reservoir of untapped goodwill and commitment.

25. The fourth proposal concerns expanding the role UNEP plays in assisting in the avoidance of environmental conflicts. Competition for scarce resources and disputes over shared resources and transboundary pollution are creating new flashpoints in international relations. Since its inception, UNEP has been instrumental in defusing these flashpoints - regional seas, Zambezi, Montreal and Basel are all vivid examples of solid progress. Other examples include our mediation between two East European countries and among a number of African countries. This needs to be

extended and supplemented by the role of the Council itself before conflicts become hot enough to come within the realm of the International Court of Justice or the United Nations Security Council.

26. At the same time, the risk of conflict would greatly diminish if the 150 or so existing multilateral environmental treaties were properly adhered to by all nations. The fifth proposal is, therefore, for the Governing Council to advise contracting parties on the need for mechanisms to verify the implementation of treaties. Current treaties dealing with - for example - the prohibition of environmental manipulation proved wanting when tested during the Kuwait war. I am proposing to this Council to recommend to the General Assembly to review these treaties, to strengthen them and to broaden their base.

27. The sixth proposal relates to environmental research and training. We have plenty of institutions and programmes at every level on these two issues. Yet there are gaps. Hence, the proposal is to set, on an experimental basis, a low cost mechanism that could lead to the setting of a "World Environment Academy" - a centre of excellence, a group of high-level scientists in every area, a round table, or whatever - for identifying gaps in research and training on environmental issues related to economics, population, natural resources and poverty alleviation, and promoting the filling of these gaps by national, regional and global institutions.

28. None of what I have talked about is a new institution. And none includes anything but a modest expenditure.

29. Another proposal I am putting to this Council concerns the periodicity, duration and organization of Governing Council sessions, and the convening of a special, three-to-five day session very early in February next year, solely to review the Reports requested by the General Assembly or the Council itself for presentation to UNCED. These are the Report on Desertification, the analytical 1992 State-of-the-environment report, and the comprehensive Report of the Secretary-General on the implementation of the General Assembly resolutions on the Environmental Perspective and Our Common Future. We are working to an extremely tight schedule. We are actually doing the impossible to have these documents ready by the end of the year.

30. With the views of the Council, they would be presented to UNCED through its Preparatory Committee, at its last session next March. Two of them are requested for UNCED itself. I advise against this, and strongly propose that they should go via the PrepComm, albeit a few days later than what my friend Mr. Strong wants.

31. The final point I wish to raise concerns strengthening the capacity of the United Nations System to deal with major environmental problems. Last year, the General Assembly asked the Secretary-General to prepare a report on the subject for presentation to the UNCED through its preparatory process. UNEP is preparing the draft of that report. We have solicited the views of Governments and have thus far received 26 replies. They include many constructive suggestions, including the revival of the ECB - the Environment Co-ordination Board, with development issues added to the

Board's mandate. One option might be to create an "Environment and Development Co-ordination Board" - a hybrid of the ECB and its counterpart the Interagency Consultative Board on Development. Both were merged in the Administrative Committee on Co-ordination by the General Assembly in 1977. Any views of the Council on this important issue will help in refining the draft we are preparing.

32. May I remind you that the General Assembly convened UNCED because it was deeply concerned over the "serious degradation of the global life-supporting system." Let us not forget that as far as UNCED is concerned, the process is as important as the event itself. Any delay of action on the part of this Council may be interpreted that you believe environmental problems can wait. The proposals before you are a barely adequate response to the "ecological catastrophe" identified by the General Assembly. This Council has a unique opportunity to demonstrate to the world that in the run-up to Brazil, Governments mean business.

33. We can take inspiration and hope from many positive signs. One is from a small, vulnerable island nation - Seychelles - which recently adopted an environmental management policy as an integral part of its national development strategy. It states that "sustainable development is a shared global responsibility and challenge to all peoples and countries". I can think of no better way in which to conclude than to ask this Council to meet the challenge entrusted to it by the world's people, and demonstrate by deed your resolve to build global partnership.